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GENERAL AND REVENUE SECRETARIAT.

Serial Nos.

Part B. for

SUBJECT.

The Maharaja of Travancore Spinning & Manufacturing Company's Directors' Report for the Year ending 31. 12. 1890.

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The Maharajah of Mysore,
Spinning & Manufacturing Company, Limited.

DIRECTORS' REPORT.

To

THE SHAREHOLDERS OF THE MAHARAJAH OF MYSORE,
SPINNING AND MANUFACTURING COMPANY, LIMITED.

GENTLEMEN,

Your Directors in submitting for your approval the Balance Sheet for the year ended 31st December 1890, regret to state that there has been a loss on the year's working.

The statement of Profit and loss Account shows a loss of Rupees 18,124-9-0 exclusive of depreciation, for which they have resolved to set apart a sum of Rupees 3,000.

The first six months of the year the Yar Market was quite paralysed, and in such a state as is seen in times of panic. The prices of Yarns were very low, while cotton ruled very high, mainly caused by the boom in cotton in America; almost the whole of the loss was in the first six months' working. Cotton is now at a fair price, and the Mill is working at a profit.

Your Directors anticipated that the last six months working would make up for any loss in the previous one, but they have been disappointed in this. There are now 120 Looms at work, out of 187 ordered some time ago. When the Looms are all at work it is expected the Company will be in a much better position, as it held very heavy stocks of Yarn, amounting to over 1,200 Bales, nearly all the year round, the result being a very heavy interest account from borrowed Capital. The stock is now reduced to 650 Bales. The Company, owing to combinations, were compelled to open up seventeen retail shops all over the Mofussil, for the disposal of its Yarns; this is so far satisfactory. The opening up of the shops has caused a great deal of extra work and trouble.

Since this Company came into existence, another Cotton Mill of the same kind was started locally, the result being not sufficient local demand to cope with the production of Yarns, hence the reason 187 Looms were ordered by this Company for the purpose of diminishing the Yarn supply. The other local Mill Company in Bangalore is managed by Messrs Binny and Co., of Madras, who are a well known respectable firm, the results of their year's working in Bangalore ending in a loss also.

The Directors wish to call the attention of the shareholders to the very heavy interest item, which was borrowed at rates ranging from 9 per cent. to 12 per cent., and specially point out to all shareholders the necessity of taking a fair share of Debentures in proportion to the shares they hold, to put the Company in possession of working Capital; this is imperative for the successful working of the Mill. The Company has no Working Capital whatever, the loan of 2½ lacs from the Government of Mysore having all been spent, and Rs. 40,000 extra in extension for 5,000 Ring-Frames and 187 Looms, including Buildings.

The property is a valuable one, as the Balance Sheet shews, but interest at 12 per cent. is disastrous to any industry of this kind; therefore it is to be hoped shareholders will come forward to support the Debenture Scheme, the property being in itself a very first-class security to Debenture-holders

B. STTEENEVASSIENGAR.
J. E. FISCHER.
J. G. SCOTT.

JAS. SCOTT, & Co.
AGENTS.

The Maharajah of Mysore Spinning and Manufacturing Company, Limited.

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BALANCE SHEET FOR THE YEAR ENDING 31ST DECEMBER 1890.

CAPITAL AND LIABILITIES.								PROPERTY AND ASSETS.							
		Rs.	A.	P.	Rs.	A.	P.	Rs. A. P.				Rs.	A.	P.	Rs. A. P.
I. Capital.	Capital of the Company divided into 4,500 Shares of the nominal value of Rs. 100 each ...	...			45,000	0	0	*III. Property held by the Company*	Land	...		2,127	10	0	
	Less Unallotted Shares ...	...			7,000	0	0		Buildings, Immovable ...	...		2,07,274	10	3	
									Machinery and Plant ...	...		5,30,329	1	4	
															7,39,731 5 7
									Stock and Stock in Trade.						
II. Debts and Liabilities of the Company.	Mortgages to Mysore Government, Principal	2,50,000	0	0					Cotton on hand	...		13,851	2	1	
	Do Interest due for 6 months.	7,439	5	4					Do in process... ...	..		8,336	5	7	
					2,57,439	5	4		Yarn on hand.	...		88,547	14	4	
	S. Venkatavaradaiengar, Principal.	1,65,300	0	0					Cloth do	...		4,096	13	9	
	Do Interest due for 40 days	1,562	4	2					Weaving in process ...	...		6,329	10	5	
	Do Commission ...	760	10	7					Fuel on hand	...		14,746	8	0	
					1,67,622	14	9		Stores on hand	...		5,456	6	9	
									Waste do	...		2,924	1	3	
									Wheat, Flour and Sooji, &c ...	1,399	15	10			
	Sundry Creditors	...			1,03,739	15	0		Furniture, &c.	182	14	0	1,582	13	10
	Agents' Commission	...			14,865	5	3								1,45,871 12 0
	Deposit Account	...			1,992	0	0	*IV. Debts due to the Company.*	Sassoon J. David & Co., on Consignments ...	...		13,795	4	3	
	Unpaid Dividends	...			140	0	0		District Agents do ...	...		63,324	1	0	
									Unexpired Insurance ...	...		3,616	1	6	
															80,735 6 9
VI. Reserve Fund.	Amount reserved from Profits of 1888...	...			...			*V. Cash and Investments.*	Cash with Agents ...	6,052	6	1			
									Do Madras Bank Bangalore	965	0	11			
															7,017 7 0
															9,73,355 15 4
								VII. Profit and Loss.	By Loss	...			...		18,124 9 0
	Total Rupees...	...			...				Total Rupees...	...					9,91,480 8 4
					9,91,480	8	4								

We have examined the above Balance Sheet and annexed Statement of Profit and Loss Account, and compared the same with the Books and Vouchers of the Company, and counted the Stock of Cotton, Yarn, Fuel and Stores and Cash Balance for the year ending 31st December 1890, and we certify that, to the best of our knowledge and belief, they are correct and in conformity with the requirements of the Company's Act VI, of 1882.

A. AROONACHELUM MOODR.
M. SOOBRAYA MOODR. } *Auditors.*

J. SCOTT AND CO., *Agents.*

B. STREENEVASSIENGAR.
J. F. FISCHER,
J. G. SCOTT, } *Directo*

D ABSTRACT OF REVENUE ACCOUNT FOR THE YEAR ENDING 31st DECEMBER 1890.

	Rs. A. P.	Rs. A. P.		Rs. A. P.	Rs. A. P.
Stock of Cotton on hand 1st January 1890	30,125 2 1		By Sale of Yarn during the year	6,42,215 4 2	
Cotton purchased during the year	3,87,003 12 2		By Stock on hand 1st January 1891	88,547 14 4	
	4,17,128 14 3			7,30,763 2 6	
Less Cotton on hand 1st January 1891	22,187 7 8	3,94,941 6 7	Less on hand 1st January 1890	1,84,933 14 4	5,45,829 4 2
Stock of Fuel on hand 1st January 1890	3,756 6 0		By Sale of Waste during the year	3,263 4 2	
Fuel purchased during the year	41,921 12 0		By Stock on hand 1st January 1891	2,924 1 3	
	45,678 2 0			6,187 5 5	
Less Fuel on hand 1st January 1891	14,746 8 0	30,931 10 0	Less on hand 1st January 1890	3,222 8 0	2,964 13 5
Stock of Stores on hand 1st January 1890	8,064 1 8		By Sale of Cloth during the year	2,070 0 5	
Stores purchased during the year	20,036 5 4		By Stock on hand 1st January 1891	4,096 13 9	
	28,100 7 0			20,724 15 4	6,166 14 2
Less Stores on hand 1st January 1891	5,456 6 9	22,644 0 3	By sale of Flour and Soogee, &c.	548 10 6	
			By Sundry Earnings	11 4 0	
Flour Mill Revenue (purchase of grains, &c) ...	21,538 7 3		By Transfer Fees		21,284 13 10
Less Stock on hand	1,582 13 10	19,955 9 5			
Weaving Revenue...	11,051 6 4				
Less Stock on hand 1st January 1891	6,329 10 5	4,721 11 11			
Salaries and Wages	51,173 7 10				5,76,245 13 7
Interest...	33,112 14 4		By Loss ...		18,124 9 0
Commission	25,149 5 8				
Insurance	6,910 9 5				
Office Allowance	1,200 0 0				
Contingencies	1,223 7 10				
Printing and Advertisements	1,105 6 6				
Registration and Stamps	255 0 0				
Auditors' Fees	295 14 0				
Repairs to Building	166 12 8				
Postage and Receipt Stamps	152 2 11				
Banding Machine...	133 11 0				
Stationery	100 4 3				
Directors' Fees	100 0 0				
Rent	74 0 0				
Law Charges	23 0 0	1,21,176 0 5			
Total Rupees...	... ...	5,94,370 6 7	Total Rupees...	...	5,94,370 6 7

M. SOBRAYA MOODR.,
A. ARNACHELLUM MOODR., } *Auditors.*

J. SCOTT & Co., *Agents.*

B. STREENEVASSIENGAR,
J. G. SCOTT,
J. F. FISCHER, } *Directors.*

MAHARAJAH OF MYSORE SPINNING AND MANUFACTURING COMPANY.

(LIMITED.)

NOTICE is hereby given that the Sixth Annual General Meeting of Shareholders will be held at the Registered Office of the Company at the Mill, on Saturday, March 7th, at 3 P. M., for the purpose of passing—

I—To receive and adopt the Directors' Report and Account for the year ending 31st December, 1890.

II—To elect Directors for the current year in place of those retiring by rotation.

III—To elect Auditors and fix their remuneration.

"By order"

E. M. DEMONTE.

Secretary.

BANGALORE,
7th March 1891.

Morning Star Press,—Bangalore.